STATE OF IOWA

DEPARTMENT OF COMMERCE

UTILITIES BOARD

IN RE:

DOCKET NO. INU-04-1

DEREGULATION OF LOCAL EXCHANGE SERVICES IN COMPETITIVE MARKETS

ORDER SETTING PROCEDURE FOR ORAL ARGUMENT

(Issued October 13, 2004)

On May 7, 2004, the Utilities Board (Board) initiated this notice and comment proceeding to consider whether local exchange service to business and residential customers in certain lowa communities is subject to effective competition and should be deregulated pursuant to lowa Code § 476.1D (2003) and 199 IAC 5.3(1).

On September 9, 2004, the Board issued an "Order Establishing Briefing Schedule and Scheduling Oral Argument" establishing a post-hearing briefing schedule and, in lieu of reply briefs, a date for oral argument on the issues in this docket. The Board received briefs from the following participants:

Coon Creek Telecommunications (Coon Creek);

Cox Iowa Telcom, LLC

Forest City Telecom (Forest City)

Farmers & Businessmen's Communications (F&B)

Frontier Communications of Iowa, Inc.

Cedar Communications (Cedar)

Iowa Association of Municipal Utilities

Iowa Telecommunications Services, Inc., d/b/a Iowa Telecom

Lost Nation – Elwood Telephone Company (Lost Nation)

McLeodUSA

Consumer Advocate Division of the Department of Justice

Qwest Corporation

South Slope Cooperative Telephone Co., Inc. (South Slope)

Oral argument on the issues in this docket is set for October 19, 2004, at 10 a.m. in the Board's hearing room at 350 Maple Street, Des Moines, Iowa 50319-0069. Each participant will be allowed 15 minutes for oral argument. At the beginning of each participant's argument, counsel may elect to reserve a portion of the participant's 15-minute allotment for rebuttal.

The Board finds that some participants in this docket have taken similar positions and should be consolidated for purposes of oral argument. Therefore, the Board will combine the oral arguments for Coon Creek, Forest City, F&B, Cedar, Lost Nation, and South Slope into a single 15-minute span. These participants should decide how they will present their argument within the 15-minute allotment and inform Board staff of their plan no later than Friday, October 15, 2004.

The Board requests that oral argument be limited to the following issues that are to be determined in this docket:

- The proposed deregulation of business and residential local exchange service in the Council Bluffs market;¹
- 2. The proposed deregulation of business service in the Sioux City market;²

¹ For purposes of this proceeding, the Council Bluffs market includes the Loveland and Wilson communities.

² For purposes of this proceeding, the Sioux City market includes the James and Westfield communities.

- 3. The proposed deregulation of all local exchange service in the overbuilt exchanges identified in the May 7, 2004, order;
- 4. The possible use of a market-monitoring mechanism after deregulation; and,
- 5. The status of competition with respect to residential secondary lines throughout lowa.

In addition, the Board requests that the participants be prepared to address any other issues raised in the briefs submitted in this docket, including, but not limited to, the requirement of a deregulation accounting plan.

IT IS THEREFORE ORDERED:

Oral argument will take place before the Board involving the issues identified in this order and discussed in the initial briefs, on October 19, 2004, at 10 a.m. in the Board's hearing room at 350 Maple Street, Des Moines, Iowa 50319-0069, pursuant to the procedures described in this order.

	UTILITIES BOARD
	/o/ Mark O. Lambart
ATTEST:	/s/ Mark O. Lambert
/s/ Judi K. Cooper Executive Secretary	/s/ Elliott Smith

Dated at Des Moines, Iowa, this 13th day of October, 2004.